

**"SECTION 10.40D.(b)** Notwithstanding G.S. 114-2.3, the Department of Health and Human Services shall engage the services of private counsel with the pertinent information technology and computer law expertise to review requests for proposals and to negotiate and review contracts associated with MMIS. The counsel engaged by the Department shall review the MMIS contract between the Department of Health and Human Services and the vendor to ensure that the requirements of subsection (a) of this section are met in their entirety."

**SECTION 10.9.(b)** Of the funds appropriated in this act to the Department of Health and Human Services, the sum of three hundred thousand dollars (\$300,000) for the 2008-2009 fiscal year may be used to contract with an outside consultant to serve as project manager/coordinator to oversee the development and implementation of the MMIS project.

**SECTION 10.9.(c)** The Department of Health and Human Services shall develop a comprehensive schedule for the development and implementation of the MMIS that fully incorporates federal and State project management and review requirements. The Department shall ensure that the schedule is as accurate as possible. The initial schedule that includes all activities up to contract award must be provided by October 1, 2008. The design, development, and implementation schedule must be provided by March 1, 2009, as part of the Department's quarterly MMIS reporting requirements. The Department shall submit the schedule to the Chairs of the House of Representatives Committee on Appropriations and the House of Representatives Subcommittee on Health and Human Services, the Chairs of the Senate Committee on Appropriations and the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division. Any change to key milestones in either schedule shall be immediately reported to the Chairs of the House of Representatives Committee on Appropriations and the House of Representatives Subcommittee on Health and Human Services, the Chairs of the Senate Committee on Appropriations and the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division with a full explanation of the reason for the change.

**SECTION 10.9.(d)** Beginning March 1, 2009, the Department shall make quarterly reports on changes in the functionality and projected costs of the MMIS. The first quarterly submission shall contain a final report on the contract award to include total costs and functionality of the MMIS. Each report shall be made to the Chairs of the House of Representatives Committee on Appropriations and the House of Representatives Subcommittee on Health and Human Services, the Chairs of the Senate Committee on Appropriations and the Senate Appropriations Committee on Health and Human Services, and the Fiscal Research Division. A copy of the final report on the contract award shall also be submitted to the Joint Legislative Commission on Governmental Operations.

**SECTION 10.9.(e)** Upon initiation of the NC MMIS Program Reporting and Analytics Project and the Division of Health Services Regulation (DHSR) Project, the Department shall submit all reports regarding functionality, schedule, and cost in the next regular cycle of reporting identified in subsections (c) and (d) of this section. The Department shall ensure that the solution developed in the Reporting and Analytics Project supports the capability, in its initial implementation, to interface with the North Carolina Teachers and State Employees Health Plan. The costs for this capability shall be negotiated prior to the award of the Reporting and Analytics contract. The Reporting and Analytics solution must be completed simultaneously with the replacement MMIS.